



NAVRATNA STATUS FOR SOLAR ENERGY CORPORATION OF INDIA LTD (SECI) - ECONOMY

*News: Solar Energy Corporation of India Ltd (SECI), a Central Public Sector Enterprise (CPSE) under the Ministry of New and Renewable Energy has **been granted the Navratna status on 30th August 2024 by the Ministry of Finance.***

What's in the news?

Central Public Sector Enterprises (CPSEs)

- Central Public Sector Enterprises (CPSEs) are known by other names such as Public Sector Undertakings (PSUs) or Public Sector Enterprises (PSEs) in India.
- These CPSEs are **divided into Maharatna, Navratna, and Miniratna companies**
- Miniratna are further divided into Category I and Category II.

About SECI:

- SECI is a leading CPSE dedicated to the development and expansion of Renewable Energy (RE) capacity in India.
- It has a cumulative generation awarded capacity of 69.25 GW and an annual power trading volume upwards of 42 billion Units.
- SECI has been named as one of the Renewable Energy Implementing Agencies (REIAs) of India.
- SECI was incorporated in the year 2011 as a 'Not for profit' company under the Companies Act, 1956, and converted to a commercial company in 2015 under the Companies Act, 2013.

Significance of Navratna Status:

Classification as a Navratna CPSE enables SECI towards the following: -

- Enhanced autonomy in financial and operational matters.
- In accelerating the company's growth path through better agility by increasing efficiency and empowering employees.
- Improvement in geographical presence and technology focus by supporting investment plans, driving growth, expanding market reach, and achieving long-term gains.



Aspects	Criteria	Description
MINIRATNA STATUS	<p>Miniratna Category-I Criteria:</p> <ul style="list-style-type: none"> i) Reported profits for three consecutive years. ii) Pre-tax profit of ₹30 crore or more in at least one of the three years. iii) Positive net worth. <p>Additional Conditions:</p> <ul style="list-style-type: none"> i) No default on loan or interest repayments to the government. ii) No dependency on budgetary support or government guarantees. <p>Miniratna Category-II Criteria:</p> <ul style="list-style-type: none"> i) Profitable for the last three successive years. ii) Positive net worth. <p>Additional Conditions:</p> <ul style="list-style-type: none"> i) No default on loan or interest repayments to the government. 	<ol style="list-style-type: none"> 1. This is the initial level of recognition given to CPSEs that have demonstrated consistent profit-making and positive net worth over a certain period. 2. They are further divided into two categories: Category I and Category II, based on their financial and operational performance. 3. Miniratna I companies have greater autonomy than Miniratna II companies, allowing them to make investments and enter into joint ventures within certain financial limits without requiring government approval.
NAVRATNA STATUS	<p>Eligibility for Navratna status:</p> <ul style="list-style-type: none"> i) Must have Miniratna-I status. ii) Achieved an “Excellent” or “Very Good” MoU rating in three out of the last five years. iii) Composite score of 60 or more in six selected performance indicators: iv) Net Profit to Net Worth. v) Manpower Cost to Total Cost of Production. 	<ol style="list-style-type: none"> 1. Navratna status is granted to CPSEs that have demonstrated strong financial performance and have significant operational autonomy. 2. They enjoy greater independence in decision-making compared to Miniratna companies. 3. They have the authority to invest up to a certain limit without needing explicit government approval and can make more strategic and financial decisions to enhance their growth and efficiency. 4. Examples: BEL, CONCOR, Hindustan Aeronautics, NALCO, NBCC, NMDC, PFC, and IREDA (newly upgraded).



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MAHARATNA STATUS	Eligibility for Maharatna status: i) Must have Navratna status. ii) Listed on Indian stock exchanges. iii) Compliance with minimum shareholding norms. iv) Average annual turnover exceeding ₹25,000 crore over the last three years. v) Average annual net worth over ₹15,000 crore in the last three years. vi) Average annual net profit over ₹5,000 crore in the last three years. vii) Significant global presence.	<ol style="list-style-type: none">1. Maharatna is the highest level of recognition given to the largest and most profitable CPSEs in India.2. They are major players in their respective sectors, with substantial financial and operational freedom.3. They have the authority to make investments and enter into joint ventures or partnerships up to a significant amount without government approval.4. Examples: BHEL, BPCL, Coal India, GAIL, HPCL, Indian Oil, NTPC, ONGC.
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